S&MM
SALES & MARKETING MANAGEMENT

NOVEMBER 14, 1983
A BILL PUBLICATION
FIVE DOLLARS

AN S&MM SPECIAL SECTION
Sales Meetings
Page 65.

11/23/83
C1200-1

Of toasters and telephones . . .

Sales of home telephones through retail stores tripled this year, to more than 15 million units, making them the hottest item in electronics. With nearly 200 suppliers, it isn't clear which ones will be left in 1990 when, as one analyst predicts, phones will be as common as toasters on store shelves. Page 35.

Inside Out

MCI's instant mail. The Washington, DC, communications company teams up with Purolator Courier and the Postal Service. Page 12.

Government regulation. FTC casts a baleful eye at promotional strategies of doctors, lawyers, and other professionals. Page 13.

New products. It will be a knock-down drag-out time at the first U.S. exhibition of knock-down furniture. Page 15.

Mr. Pastie is a star. From a modest start, a tasty frozen meat pie makes it into 7-Eleven and Safeway. Page 16.

Brand-name marketing. Chipman-Union sniffs out a new marketing channel for its Odor Eater socks. Page 19.

Selling Miss Liberty. Led by American Express, a number of marketers are hitching their stars to the grande dame's approaching birthday. Page 24.

Hi-tech marketing. Will Kaypro fill the void created so suddenly by the fall of Osborne Computer? Page 26.

Videodisc sales training. Howard Johnson and Ford Motor find that new technology provides greater flexibility. Page 60.

Complete Contents, Page 5.

GROWTH MARKETS

Hispanic gets manic

Page 39.

TOOLS FOR SELLING

Sales promotion's new aura

Page 48.

SM0209088-3??7017 AVV- JUN84

SRI
CONGRESSIONAL INFO SVC
4520 E-W HWY STE 800

BETHESDA MD 20814

What's Coming Up

An S&MM Special Section: The Computer in Sales and Marketing. An up-to-date report on how marketers are streamlining their operations with the computer. Special feature: monitoring sales progress at PPG Industries. Dec. 5.

ServiceMaster Industries. After 20 years of providing management services that cut costs and increase productivity for hospitals, it expands into educational institutions and industrial companies. Dec. 5.

Ninth Annual S&MM Awards. Honored are the marketing organizations that excelled in 1983. Our Annual Awards Issue also cites the year's top marketing entrepreneurs. Jan. 16.

Permission to photocopy for internal or personal use or the internal or personal use of specific clients is granted by *Sales and Marketing Management* for libraries and other users registered with the Copyright Clearance Center (CCC), provided that the fee of $1.00 per page is paid directly to the CCC, 21 Congress St., Salem, MA 01970. This permission does not apply to the annual *Survey of Buying Power, Survey of Buying Power Part II, Survey of Industrial & Commercial Buying Power,* or *Survey of Selling Costs* issues, nor does it extend to other kinds of copying, such as for general distribution, resale, advertising/promotional purposes, or creating new collective works.
(ISSN 0163-7517/82/ $0 + $1.00).

VOL. 131, NO. 7

[Sales & Marketing Management ISSN 0163-7517], a Bill publication, is published monthly except in February, April, July, and October, when it is published twice a month. Second-class postage paid at New York, NY, and additional mailing offices. Postmaster send changes of address to: 633 Third Ave., New York, NY 10164-0563. Executive, editorial, and circulation offices: 633 Third Ave., New York, NY 10164-0563. SUBSCRIPTIONS: $42 a year, U.S.A. and Canada ($50 CDN). Foreign, $65. Allow 4 to 6 weeks for first issue to arrive. Member of the Audit Bureau of Circulations, American Business Press, Business Publications Audit of Circulation, and Magazine Publishers Assn. © Copyright [Sales & Marketing Management magazine, a division of Bill Communications, Inc.], 1983. All rights reserved.

ABP VBPA ABC

SHORT TAKES

12 Telecommunications / **Hustling for instant mail**
12 Sales presentations / **Commodore's gender gap**
13 Regulatory agencies / **An eye on professionals**
13 Advertising / **Santa by helicopter**
13 Test marketing / **Peoria out, Cincinnati in**
15 New products / **Knocking together a new market**
16 / **Mr. Pastie is a star**
19 S&MM Market Highlight / **Computers in schools**
19 Brand marketing / **Chipman-Union socks it to 'em**
20 Industrial markets / **Rosier forecasts—sort of**
24 Sales promotions / **Selling Miss Liberty**
26 Hi-tech marketing / **Uneasy lies the head that . . .**

FEATURES

35 Of toasters and telephones
As telephones pop up on retail shelves almost as often as toasters, a few big suppliers base their hopes on quality.

39 Hispanic gets manic
No one knows the buying power of the nation's 14.6 million Hispanics, but that's not stopping marketers.

48 Sales promotion's new aura
Sales promotions for Kimberly Clark have never been more vital in long-range planning.

55 Keep your eye on the donut, not the hole
Robert Kirby, ex-chairman of Westinghouse Electric, makes the case for U.S. technology.

60 Living it up with the disc
Videodiscs offer a more interactive medium for sales training, insist companies such as Howard Johnson.

AN S&MM SPECIAL SECTION

65 The sales force regroups
- Meetings carry the message
- Electra's game-show format quizzes reps
- Worthington demands more from its sales force
- Put micro power into your meeting plans
- Multiwire winds up for a new pitch

DEPARTMENTS

142 Advertisers' index
134 Books
59 Changes in the news
129 Compensation
120 Computer in sales and marketing
22 Corporate travel
6 Editor's call report
32 Industrial newsletter
123 International newsletter
53 Jaundiced eye
8 Letters to S&MM
58 Marketers, et cetera
31 Marketing newsletter
124 On the road
41 S&MM Marketgraph
15 S&MM Predicts
146 Sales mart
126 Sales strategies
148 Significant trends
151 Worth writing for

S&MM's cover photos courtesy of Sunbeam Corp. (toaster) and AT&T Consumer Products (telephone)

of the chain's 350 stores. Two months later, the meat pies were accepted for 7-Eleven's Baltimore-Washington stores; now they are in 5,000 7-Elevens nationwide.

The pies are being marketed by Washington advertising agency owner Garnet Thomas Sleep Jr., and are made from his family's traditional English recipe, which calls for beef, onions, and potatoes in a pastry crust. In England, the pies are known as Cornish pasties.

Sleep, who had no previous selling experience, made all the

"So big you may need two hands," Sleep says of Mr. Pastie pies.

sales calls himself until a couple of months ago, when he began hiring brokers. They will be calling on groceries as well as convenience stores. The first to sign was Safeway, last month, for some 175 stores in the District of Columbia area.

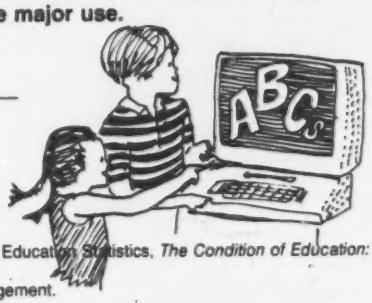
Mr. Pastie, which retails for about $2 for a pie that weighs at least 8 oz., is made by hand in a bakery in Pennsylvania's Pocono Mountains. It is, Sleep says, "the only handmade product in the freezer case."

S&MM MARKET HIGHLIGHT

Computers in schools

One-third of public elementary and secondary schools had a microcomputer in the 1981–82 school year, reports the National Center for Education Statistics. Computer literacy, by far, is the major use.

Grade Level	% With Micro
All schools	34%
Elementary	22
Junior high	52
Senior high	67



Source: National Center for Education Statistics, *The Condition of Education: 1983 Edition.*
© Sales & Marketing Management.

BRAND-NAME MARKETING

Chipman-Union socks it to 'em

When its Odor Eaters socks became profitable in this year's first quarter, it marked the successful culmination of Chipman-Union's first foray into branded men's hosiery. The achievement, largely responsible for boosting sales 63%, to $40 million, since 1979, called for more than just adding a brand name. For the first time, the New York City–based company used marketing programs new to much of the $953 million men's sock industry.

Prior to Odor Eaters, Chipman followed a private-label "bag approach," says Carl Hagen, sales and marketing vice president. That meant selling socks as a commodity through mass merchants without product research or promotional support. By contrast, the Odor Eaters rollout followed nearly four years of research and tests that indicated a niche for a premium-branded line of men's socks.

Rather than face the expensive task of developing a brand name, Chipman licensed the Odor Eaters trademark that Combe, Inc. has used since 1974 to market a shoe insole. Once store tests in Phoenix and Tucson confirmed consumer interest, Chipman's marketing plan called for rolling Odor Eaters out one region at a time, supported by co-op and point-of-purchase advertising, introductory discounts, coupons, and where volume warranted, TV commercials that had proved effective in Phoenix.

A basic planning error, Hagen says, resulted in a roadblock at the start. Beginning with Los Angeles, the Odor Eaters strategy departed from past distribution practice by emphasizing food and drug outlets instead of mass merchants. But retailer response was not as expected. "We did not test the trade's response and had no way to estimate how difficult it

is to place a product in food and drug outlets," Hagen says. "Evidence of a high consumer response was not a strong enough argument to get shelf space."

But resistance was short lived. Using brokers instead of its small direct sales force, Chipman finally elbowed its way onto shelves in such drug chains as Revco and Skaggs Cos., a division of American Home Stores. The introduction was so successful, in fact, that Revco and then Skaggs insisted that Chipman change its plans for a regional rollout to allow the chains to distribute Odor Eaters in all of their stores.

Chipman now sells its new line in 5,000 food and drug outlets and has even begun testing sales in mass merchandisers K Mart and J.C. Penney. Besides increased sales that result directly from Odor Eaters, Hagen says that marketing expertise gained in that exercise has also bolstered all of the lines that Chipman sells.

This sock slipped

Kayser-Roth was not so fortunate with its name-brand men's sock, Sock Sense, like Chipman-Union's also sold in food and drug outlets. "We pulled back in late 1982," a spokesman says. "We are not shipping any under the original concept." Also, TV support has been suspended.

Ironically, Kayser-Roth (1982 sales: $700 million) seemed even better positioned than Chipman-Union. It is the largest manufacturer of socks in the U.S., and its sales of No Nonsense women's pantyhose in food and drug stores trailed only L'eggs, marketed by Consolidated Food subsidiary Hanes Corp.

One industry observer says

INDUSTRIAL MARKETS

Rosier forecasts— sort of

With the major economic indicators rebounding faster than expected, the federal government's Bureau of Industrial Economics (BIE) revised its annual forecast for selected industries (S&MM, Apr. 25).

Two industries, construction machinery and farm machinery, swing sharply, from anticipated gains to expected declines in shipments. Where BIE originally saw a 4% rise in construction machinery it now envisions a 7.8% decline, a result of the Caterpillar strike dragging into the first four months of 1983. (The company accounts for more than one-third of industry output.) Farm-machinery makers are also expected to suffer a 7.8% drop in contrast to an earlier 2.3% gain. Excessive inventories resulting from weak 1982 sales and sharply reduced planted acreage are the culprits.

Among the industries whose outlooks have improved since BIE's original forecast are cement, whose shipments will spurt 8.5% vs. an earlier 3.0%, and synthetic rubber, whose 5.6% expected gain was revised upwards to 10.5%. A stronger than anticipated surge in new-housing starts will keep cement plants humming, BIE says, and a robust 30% rise in auto shipments will have a nourishing effect on suppliers.

Ups and downs in industry forecasts

Industry	*Projected 1983 Shpmnts. ($ Mil.)*[1]	*Revised 1982–83 Forecast*	*Original 1982–83 Forecast*
Motor vehicles	$48,100.0	+29.7%	+26.1%
Computers	42,830.0[2]	+18.0	+18.0
Petrochemicals	24,900.0	+ 8.7	N.A.
Steel	23,000.0	+18.3	+24.6
Semiconductors	19,837.0	+19.1	+14.6
Paper & paperboard	12,670.0	+ 4.5	+ 3.2
Commercial printing	10,700.0	+ 1.9	+ 2.9
Pharmaceuticals	10,407.0	+ 3.7	+ 3.7
Appliances	7,750.0	+14.0	+ 6.0
Aluminum	7,574.0	+12.3	+12.0
Furniture	7,360.0	+12.0	+ 8.0
Lumber	6,800.0	+16.8	+12.3
Plastics	5,145.0	+ 5.0	+ 5.6
Farm machinery & equipment	3,919.3	− 7.8	+ 2.3
Agricultural chemicals	3,579.0	−11.9	− 2.5
Construction machinery & equipment	3,554.9	− 7.8	+ 4.0
Oil-field machinery & equipment	2,718.1	− 2.8	+ 2.0
Copper	2,635.0	+ 3.8	+19.1
Cement	1,475.0	+ 8.5	+ 3.0
Machine tools	1,300.0	−31.2	−30.9
Synthetic rubber	950.0	+10.5	+ 5.6

[1] In 1972$. [2] In current dollars.
N.A.—Not Available.
Sources: Bureau of Industrial Economics. *A Midyear Review of the Outlook for 1983 (A Supplement to the 1983 Industrial Outlook).*
© Sales & Marketing Management.

that Sock Sense failed because of its packaging. Unlike Odor-Eaters, which are displayed in an open rack, Sock Sense were sold in boxes. That frustrated consumers who wanted to feel a premium-priced sock before buying it.

INCENTIVES

They'll settle for a 'world' show

More or less booted out of Chicago's McCormick Place next October (S&MM, Nov. 15, 1982)—the clout-heavy Housewares Show wanted the time—the management of the National Premium/Incentive Show (NP/IS) and the companion Incentive Travel & Meeting Executives (IT&ME) Show is putting the best face on the alternatives left to it.

Next September, NP/IS will meet in San Francisco's Moscone Hall. Meanwhile, the first World Congress & Exposition on incentive travel and meeting management is scheduled for next July 24–26 in the New York Coliseum.

"We're viewing this as a permanent annual show, with more of an international and educational flavor than IT&ME," said Hub Erickson, whose Hall-Erickson, River Forest, IL, will manage both shows.

The congress, sponsored by Meeting Planners International and the Society for Incentive Travel Executives, will feature a series of seminars. Topics will include transportation negotiations, currency issues, and meeting management.

Also taxes. "In several industries, the demarcation line between meetings and incentives has become somewhat hazy,"

CORPORATE TRAVEL®

Business travel is on the rise again, after some tough times. And as newly cautious managements seek the best deal for the dollar, the travel agent who services corporate accounts becomes increasingly important. Thus S&MM begins a column devoted to corporate travel.

How corporate travel costs are changing

The corporate traveller spends big bucks, but how big, and on what? Some answers to those questions are provided by the following figures, which measure actual spending as reported by clients of PHH Group, Baltimore, a consulting company that specializes in travel. The figures permit comparing monthly spending rates for the full years 1981 and 1982, and also comparing 1982 with the first eight months of 1983.

	Year To Date Through 12/82	12/81	*% Change* 1981-82	*Year To Date Through* 8/83	*% Change* 8/83 vs. 12/82
Meals	$101.43	$114.23	– 11.2%	$ 95.37	– 6.0%
Lodging	122.04	133.16	– 8.4	130.66	+ 7.1
Transportation	131.64	105.09	+ 25.3	148.79	+13.0
Car rental	28.54	10.54	+170.8	30.46	+ 6.7
Telephone	71.22	89.30	– 18.4	67.46	– 5.3
Postage & supplies	33.40	17.60	+ 89.8	28.39	–15.0
Entertainment	68.30	66.53	+ 2.7	63.99	– 6.3
Misc.	39.22	38.63	+ 1.5	42.40	+ 8.0
Total	**$595.84**	**$573.08**	**+ 4.0%**	**$607.52**	**+ 2.0%**

Source: PHH Group, Travel Expense Management Systems, *Travel Expense Management Report.*

Note that the largest rate of increase is in the transportation category. Obviously the company that wants to cut business travel costs should focus on getting the best air fares possible.

So here's a suggestion

A quick way to find the lowest air fare between two cities is with the electronic version of the *Official Airlines Guide* (*OAG*), which lists worldwide flight schedules, updated weekly, and U.S. and Canadian air fares, updated every 24 hours. Schedules are listed in order of departure—no airline favoritism here—and fares are listed low to high. The service can be used by anyone who has a terminal that can communicate over public data networks. After a one-time $50 subscription charge, fees are based on usage. It costs about $3.50 to plan a complete round trip, says *OAG* vice president Glen Belden. For information, phone 800-323-3537, or write to *OAG* at 2000 Clearwater Dr., Oak Brook, IL 60521.

By Rayna Skolnik, Senior Editor

S&MM MARKETGRAPH

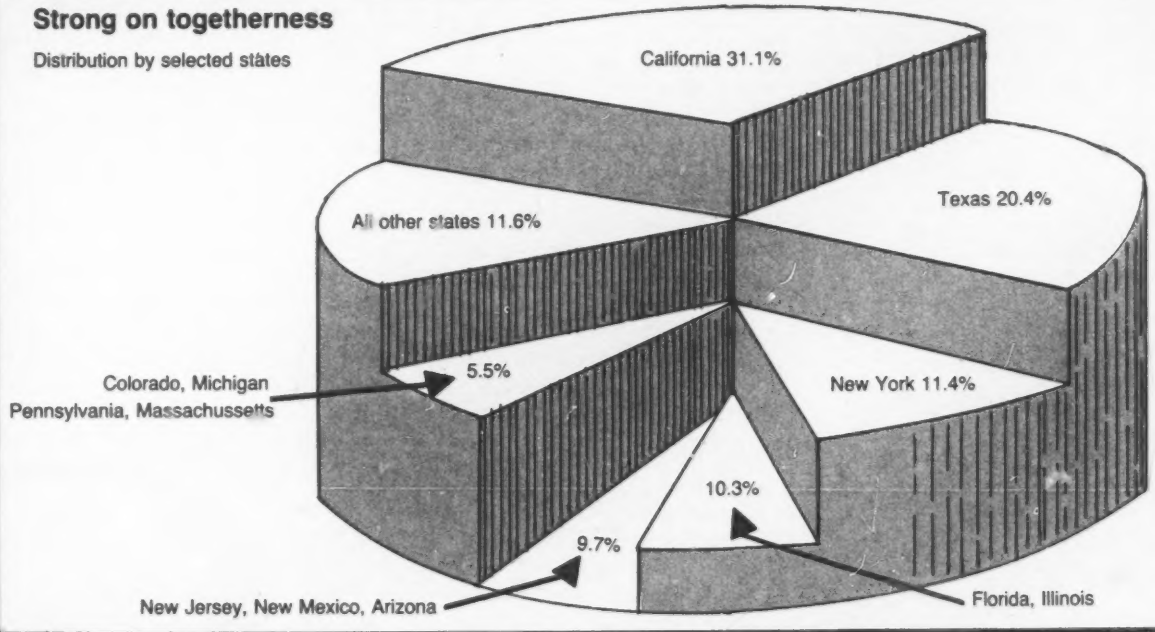
Clustering takes on an Hispanic flavor

Each immigrant wave to the U.S. has found the newcomers clustering together in selected locales as they strove to make the transition from old country to new. The latest immigrants, Hispanics, have carried clustering further than anyone. Almost three of every four Hispanics, 73%, live in five states: California, Texas, New York, Florida, and Illinois, in that order.

Hispanics are also the most urbanized group in the U.S. Some 9 out of 10 live in an urban area vs. 85% for blacks and 71% for whites. Cubans set the pace, with 98% classified as urbanites. What is more, almost three-fifths of the Cubans, 59%, live in the urban areas of metropolitan suburbs compared to 37% for whites and only 19% for blacks. This is because many Cubans achieved middle-class status before fleeing Cuba for the U.S. and thus could afford to live in suburban cities. —TCT

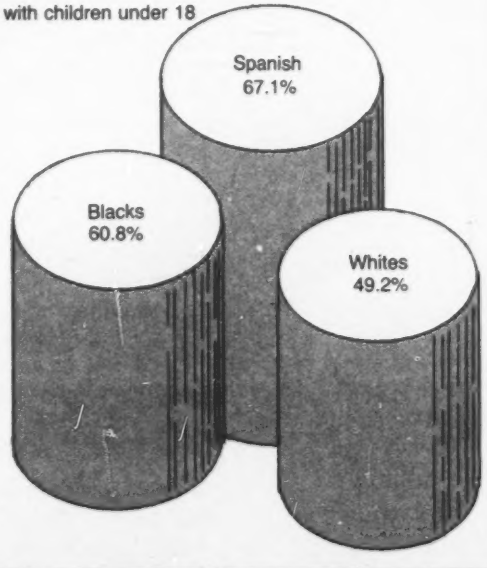
Strong on togetherness

Distribution by selected states



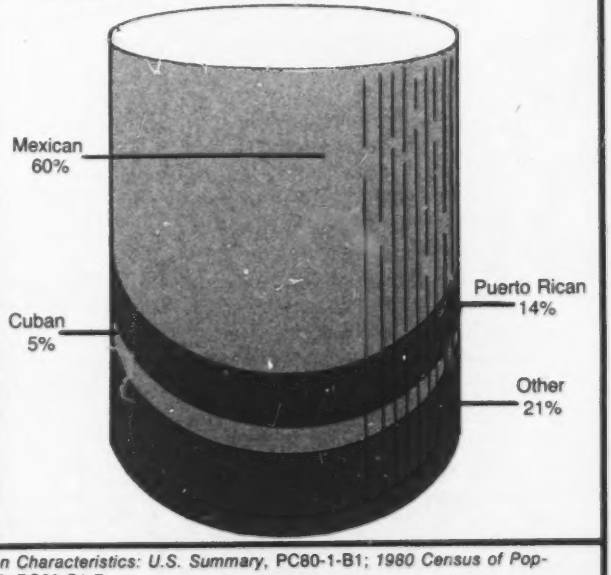
Attractive children's market

Families with children under 18



A dominant Mexican presence

Breakdown by type of Spanish origin



Source: Census Bureau, *1980 Census of Population, General Population Characteristics: U.S. Summary*, PC80-1-B1; *1980 Census of Population Supplementary Report, Persons of Spanish Origin by State: 1980*, PC80-S1-7.

© Sales & Marketing Management.

A survey of S&MM subscribers reveals that increased product introductions, rising sales, and larger sales forces are among the reasons that companies this year need meetings to reinforce the link between management and the sales force.

Meetings carry the message

By RAYNA SKOLNIK
Senior Editor

The key word for meetings in 1983 is *more*. When asked in an exclusive S&MM survey whether they are holding more, fewer, or the same number of sales meetings in 1983 as compared with 1982, numerous respondents replied that they are holding more this year. It's not unanimous, of course. Some companies are still cutting back on meetings, for reasons that they describe succinctly as "budget" or "economic conditions." But the trend toward more meetings is distinct—and in sharp contrast to the cutbacks of last year.

The survey questionnaire was mailed to 1,000 S&MM subscribers in consumer, industrial, and service companies in mid-August. Such topics as meeting frequency and locations, planning procedures, and meeting content were covered in the questionnaire. By the September cutoff date, 235 responses had been received.

Of the 235 who responded, 209 replied that they either have held or will hold at least one sales meeting this year. Some of the 26 who are not holding meetings explained that they have national sales meetings every other year, and the questionnaire caught them in the off year. A sales executive with a manufacturer of rubber and polyurethane rollers said there were no meetings at his company this year because "business conditions caused the forecast to be missed." A manufacturer of cutting tools cited "poor sales." And several respondents wrote that they do not hold sales meetings because their sales forces are made up entirely of manufacturers' representatives. Among their comments:

♦ "Since we have a small network of manufacturers' reps, it's easier and more effective to deal with them on an individual basis."

♦ "Our sales force is manufacturers' rep agencies—the cost of meetings is prohibitive vs. return."

Another frequently mentioned reason for holding more meetings is the need for better communications.

Among the companies reporting an increase in the number of meetings this year, several common threads are evident. One is an increase in regional meetings. A manufacturer of prepared baking mixes is holding regional meetings, in addition to a national meeting, for the first time this year; the respondent writes that the division is growing and there is a "need to work at the regional level." The general sales manager of a company that markets computerized controls for industrial plants indicates that regional meetings have jumped from 5 per year to 12; a two-day review meeting with regional managers is held at a different location each month.

Ease into regionals

The marketing director of a business communications systems company describes a transition that is taking place in his company. In 1982 there was a national meeting only, this year there is the national meeting and quarterly regional meetings, and next year there will be regional meetings only. The reason: "Due to the size of the sales force [he indicates that it is larger than 250] and the expansion of our product line, it will become necessary this year and the following

A. Survey results: The meeting planners

1. What are your approximate annual sales?

$10 million or less	30%
$11–$25 million	27
$26–$50 million	18
$51–$100 million	10
$101–$500 million	11
$501 million or more	4

Base: 219 replies.

2. How large is your sales force?

Fewer than 10	20%
10–19	18
20–49	29
50–99	14
100–249	12
250 and above	7

Base: 228 replies.

3. Do you use your own sales force, independent reps, or both?

	1983	*1982*
Own sales force	53%	55%
Independent reps	14	13
Both	33	32

Base: 210 replies.

4. Do you use distributors?

Yes	55%
No	45

Base: 201 replies.

5. If yes, do you . . .

. . . include them in meetings held for your own sales force:	12%
. . . hold separate meetings for distributors:	72
. . . both of the above	16

Base: 93 replies.

B. Meeting budgets and agendas

1. What is your annual sales meeting budget (excluding travel)?

Under $10,000	40%
$10,000–$50,000	42
$50,000–$100,000	10
$100,000 or more	8

Base: 203 replies.

2. Have you tried to reduce meeting costs this year?

	1983	*1982*
Yes	55%	67%
No	45	33

Base: 201 replies.

3. Who (by title) has the final say in determining the meeting agenda?

General sales manager	39%
Vice president, sales/marketing	33
Marketing director	20
President	19
Executive vice president	6

Base: 203 replies. Replies total more than 100% because of multiple answers.

5. Did you, or will you, hold any teleconferences in the years indicated?

	Yes	*No*
1982	5%	95%
1983	7	93
1984	8	92

Base: 179 replies.

4. How often are the following included on your sales meetings agenda?

	Always	*Sometimes*	*Never*
Sales training	60%	35%	5%
Product introductions	55	44	1
Information on competitors' efforts	56	41	3
Sales progress reports	76	23	1
Product promotions	52	44	3
Motivational talks	36	53	11
Recognition & awards for salespeople	39	51	10
Announcement of incentive programs	22	61	17
Sales force feedback	77	22	1

C. Meeting sites

1. Do you hold sales meetings at company sites, noncompany sites, or both? Check as many as are applicable.

	1983	*1982*
Company site	72%	61%
Hotel	62	62
Resort hotel	40	51
Conference center	25	23
Airport hotel	21	26
Budget motel	3	1

Replies total more than 100% because of multiple answers.

2. When choosing noncompany sites for a sales meeting, how important are the following factors?

	Very Important	*Somewhat Important*	*Not Important*
Rates	47%	50%	3%
Convenience to airport	34	48	18
Convenience of location for attendees	48	41	11
Room size, furnishings	24	59	17
Security	15	53	32
Ease of check in, check out	25	58	17
Quality of food	56	39	5
Quality of service	67	32	1
On-site meeting staff	35	44	21
Meeting equipment	45	45	10
Entertainment	11	36	53
Health and sports facilities	18	45	37
Banquet facilities	33	38	29

Except where noted, figures are based on 209 replies.

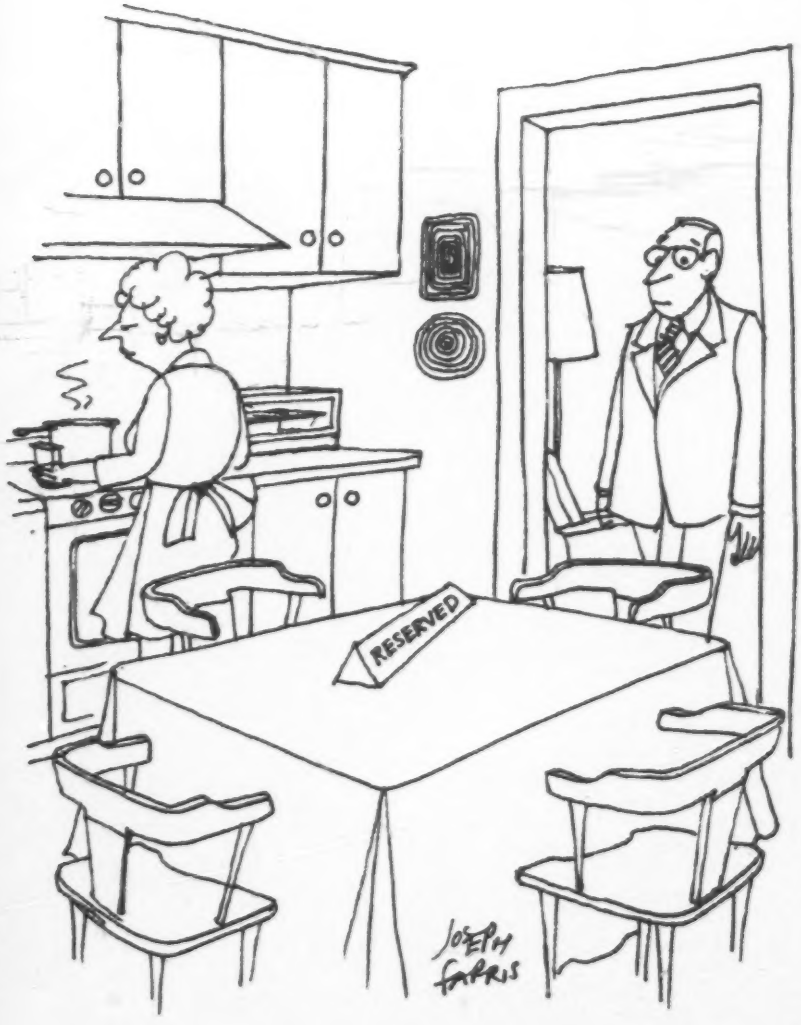
years to regionalize the meetings and have them more often."

Another frequently mentioned reason for holding more meetings is the need for better communications. A maker of specialty steel cookware, with sales in the $11–$25 million range and a company sales force of more than 250 people, has gone from one to two meetings annually in order to "increase productivity through communications." A manufacturer with between 50 and 99 salespeople, both its own and manufacturers' reps, held two annual meetings in 1982, three in 1983, and plans four in 1984 in order to "give better education on company policies and products to additional divisions."

Other reasons given for holding more meetings this year:

- New product introductions—from a manufacturer of packaged sewing notions and also a manufacturer of oil and gas burners, sump pumps, and combustion efficiency test instruments
- Rising sales—from a water bed company
- Increased sales force size—from a marketer of electronic components.

Slightly more than half of those who responded to the survey use only their own sales force, 14% use only independent reps, and one-third use a combination of the two (Table A-3). The percentages are nearly identical to those resulting from last year's survey. More than half of the companies represented in the survey use distributors, and a large majority—71%—hold separate sales meetings just for their distributors (Table A-4).



Copyright, Sales & Marketing Management

Looser purse strings

Controlling costs is still important to meeting planners, but there are signs that purse strings may be looser than a year ago. The survey (Table B-1) shows that the meetings budget is between $10,000 and $50,000 for 42% of the responding companies, and under $10,000 at another 40% ("well under $10,000," writes a marketer at a company that manufactures food flavors). It is therefore noteworthy to discover a dramatic shift in companies' cost-cutting practices. From 1981 to 1982, the percentage of respondents who reported trying to cut meeting costs jumped substantially, from 55% to 67%. But this year the percentage has dropped back down to 55% (Table B-2). Even with that drop, however, more than half of the respondents are making a concerted effort to reduce meeting costs without reducing effectiveness.

Asked to explain the cost-

This time

Let them know how important this meeting is.

The Waldorf-Astoria's Board of Directors Room

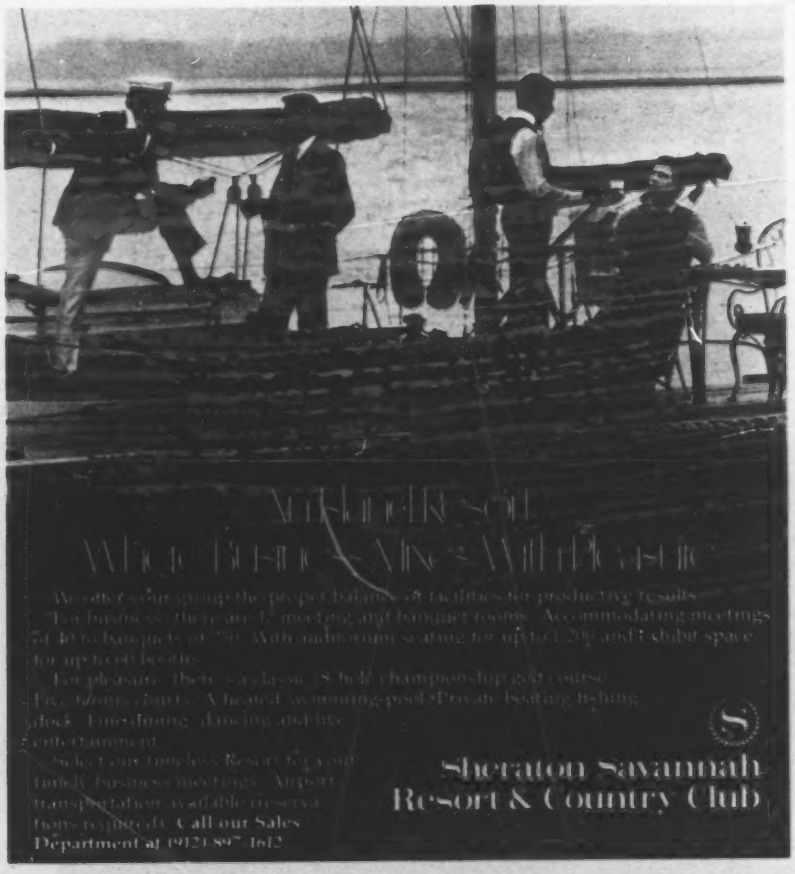
Whether it's a roundtable of 10 or a conference of 50 or more, your meeting will be conducted in the best of circumstance and style. In the perfect Park Avenue location. Make the right impression. For further information, please call or write The Waldorf Conference Center, The Waldorf-Astoria, Park Avenue at 50th Street, New York 10022, (212) 872-4800, telex 666747.

The Waldorf=Astoria

1892

A Hilton Hotel

Circle No. 191 on Reader Service Card



S&MM's Special Sales Meetings Section

cutting steps they had taken this year, many sales and marketing executives mentioned such obvious tactics as holding fewer or shorter meetings, dropping national meetings in favor of regional ones, taking advantage of special air fares, holding more meetings on or near company premises, and doubling up on room assignments. Several respondents say they have asked manufacturers' reps to pay their own air fare; others have reduced hospitality-suite time. A marketer of electronic test and measurement instrumentation reports cutting down on the hours that the bar is open.

More than half the respondents are making a concerted effort to reduce meeting costs.

"We bring sales managers into the company site, then have managers hold separate meetings in the field," reports a manager at a processed-meat company that keeps costs down by holding only regional meetings. And the marketing manager of a manufacturer of family apparel writes that his frugal company holds meetings at a budget motel, has reduced the length of the meeting by one day, and has "confined the total meeting to the motel rather than transporting the group

Circle No. 180 on Reader Service Card

back and forth between corporate office and motel."

In most cases, the content of a sales meeting is determined by sales and marketing executives. Yet in fully one-fourth of the responding companies, the ultimate decision on the agenda is made by either the president or the executive vice president. (The replies to this question, B-3, total more than 100% because many respondents checked more than one title, indicating that more than one person signs off on the final agenda.)

The elements included on the agenda by most companies are, as in previous years, feedback from the sales force, sales progress reports, and sales training (Table B-4). The most dramatic growth is in the "feedback" category, up to 77% this year from last year's 71%. Clearly more and more marketers are realizing how important it is to talk with, rather than at, the sales force. Yet it is surprising that there should be any sales meeting that fails to provide for input from the sales force. Sales force training and feedback figure prominently in meetings held by the Electra Co. and Worthington Diagnostic Systems, described on pages 78 and 84 respectively.

Most meetings continue to be gatherings of all participants at a single location, rather than teleconferences. There is an increase in the number of companies using, or planning to use, teleconferences, but it is slight (Table B-5). One reason, certainly, is that there are many situations in which there can be no substitute for face-to-face contact.

Yet there are undoubtedly many marketers who are intimidated by either technology or cost concerns. They may be interested in the comment from the national sales manager of a floor-covering marketer whose

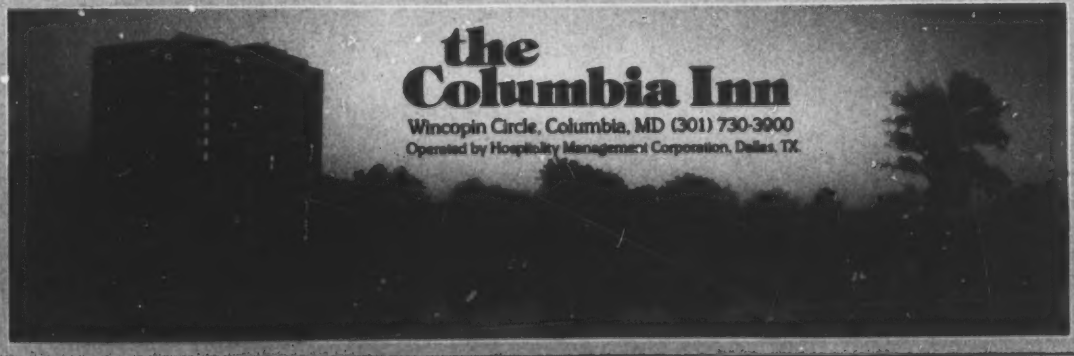
Planning on Baltimore/Washington? Resort to the Columbia Inn.

Whether you are coming to Baltimore or Washington, the Columbia Inn's location offers the best of both cities. Just 35 minutes from downtown Washington. 25 minutes from the heart of Baltimore. And a very convenient 16 miles from Baltimore-Washington International Airport.

We can handle groups from 10 to 400 in our generous rooms and suites. Plus over 12,000 square feet of meeting space that includes two ballrooms and 12 meeting rooms. Serviced by a staff of professionals who make the success of your business—their business.

The Columbia Inn is situated on 10 wooded acres on the shore of a charming lake—providing a resort atmosphere in a business environment. For unwinding, there's fine dining in our Waterside Restaurant. Live entertainment nightly in the Keys Lounge. Recreation that includes golf, tennis, jogging, swimming, and racquetball.

For more information on why the Columbia Inn should be your first resort for a meeting in Baltimore/Washington, call our director of sales. He'll send you our complete conference facilities kit, so you can see how our facilities meet your requirements.



Circle No. 115 on Reader Service Card

The conference center, still a relatively new idea in meeting sites, is carving out a niche for itself, especially for companies planning small meetings.

division has a sales force of fewer than 10 people, sales in the $11–$25 million range, and who writes that his division has tried to cut costs this year by having fewer meetings and more teleconferences at centralized locations. The article on page 114, "Audioconferencing: The Party Line Is Back," outlines methods of audioconferencing, a low-cost alternative to videoconferencing.

As mentioned above, many companies are cutting costs by holding more meetings at company sites. That category experienced a sharp jump this year: 72% of respondents hold some or all of their meetings at company sites, vs. 61% last year (Table C-1).

The conference center, still a relatively new idea in meeting sites, continues to carve out a niche for itself, especially for those companies planning small meetings. One-fourth of the respondents report using conference centers for their meetings this year. One company that has found the conference center particularly suited to its meeting needs is Wenzel, a St. Louis–area marketer of tents and sleeping bags (see article on page 112).

The meeting site category that showed the sharpest usage decline was resort hotels, down to 40% this year vs. 51% last year. This may indicate that the amenities offered by a resort are less important for a sales meeting than for, say, an incentive trip. That conclusion is supported by Table C-2, in which 53% of the respondents indicate that entertainment fa-

MEET THE INGENIOUS SOLUTION TO THE ETERNAL STRUGGLE.

THE ADVERTISING TYPES WANT IMPACT AND INVOLVEMENT. THE EXHIBIT PEOPLE NEED EFFICIENCY AND SIMPLICITY. AND THE DECORATORS DEMAND FLAIR, EXCITEMENT AND INDIVIDUALITY.

Meet the ingenious solution—the F&T System from Europe. The state of the art in mobile exhibits for shows and conventions...available exclusively in the U.S. through Certified F&T Partners. This versatile, patented system gives you eight angles on each post for an endless array of design configurations. Yet its simple German design gives you a handsome, custom-made look...the style, the stability, the finesse.
Colors? We've got a rainbow full.

The F&T System has everything you need—whether you're an advertiser, an exhibit specialist or a decorator. Stop struggling and start collaborating...with the F&T System.

F&T

1220 F&T
412 Space Park South
Nashville, TN 37211
Phone 615/333-1220

S&MM's Special Sales Meetings Section

cilities are not important to them when choosing a meeting site, and 37% report that health and sports facilities are not important. Only 11% consider entertainment very important, and 18% rate health and sports facilities very important. Those numbers tie in with respondents' comments that they are holding shorter meetings and devoting more time to work. Although recreation time is part of the agenda at many sales meetings, there is clearly a substantial number of companies for which work is the only concern.

Not surprisingly, the most important factors in choosing a meeting site are, as in previous years, quality of service and quality of food. The last thing any meeting planner wants to deal with is hassles with service at the meeting site. After all the effort that has gone into the planning, the end product should run smoothly. Food ranks high on the list, too, for the simple reason that a good meal, or a bad one, can influence a salesperson's perception of the entire program.

'A real waste of time'

On the other hand, when asked what single element of their company's sales meetings they would like to improve, no one mentioned the food. The overwhelming majority wrote that they would like to see an increase in sales force participation at the meetings, and that they would like to see time used more wisely and efficiently.

Two comments in particular sum up the feelings expressed. The sales manager for a major airline writes, "Meetings must be worthwhile, well planned, and move fast. Make them valuable to attendees. Never let anyone say after a meeting, 'Well, that was a real waste of time.' "

The national sales manager of a marketer of gas grills and air-conditioning equipment writes, "Meetings need to be highly professional, with detailed corporate and market data and new product innovations. They must also be exciting to listen to . . . or *don't* have them!"

A meeting that's a waste of time, and therefore a waste of money, is demoralizing, worse than no meeting at all. The articles that follow offer guidelines for well-planned, effective, and memorable meetings, meetings that will offer a high return on both the time and the money invested.

JUST GOT BIGGER.

Tired of the same old cement floor exhibit halls? Frustrated with product displays that are 2 or 3 floors away from your general sessions? Weary of limited breakout rooms?

Then contact Kansas City's premier hotel, The Westin Crown Center. We've just expanded our banquet space. It's all exquisitely finished. And wonderfully flexible.

Pershing Place...a new 6,500 square foot addition to our banquet level. Perfect for as many as 37 8'x10' booths. Divisible into 4 beautiful breakout rooms for 80-100 persons each.

Now we offer you a total of 27 elegant function rooms. Over 38,000 square feet in all, with more than 31,000 on one level. Handsome settings for small conferences, product introductions or conferences for as many as 2,000.

Plus 720 luxury guest rooms, complete recreational facilities and a wide choice of dining and entertainment experiences.

The Westin Crown Center... one of only 14 winners (out of 2,000 entries) of the 1983 McRand Award for conference excellence. **Phone our Sales Department today. 816/474-4400.**

THE WESTIN CROWN CENTER
Kansas City
One Pershing Road

Circle No. 151 on Reader Service Card